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Message Text

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PAGE 01 QUITO 01314 172025Z

53
ACTION ARA-10

INFO OCT-01 ISO-00 ARAE-00 SSO-00 NSCE-00 INRE-00 PM-04

NSC-05 SP-02 SS-15 L-03 PRS-01 CIAE-00 INR-07 NSAE-00

DODE-00 EB-07 OMB-01 TRSE-00 /056 W
---------- 121159
O 172010Z Y
B 76
FM AMEMBASSY QUITO
TO SECSTATE WASHDC IMMEDIATE 9057

C O N F I D E N T I A L QUITO 1314

PASS TREASURY

E.O. 11652: GDS
TAGS: EC PFOR MILI
SUBJECT: ECUADOREAN AIR FORCE $12.7 MILLION DEBT FOR A-37S

1. THE EMBASSY HAS BEEN INFORMED UNOFFICIALLY THAT NAC HAS CONSIDERED THE QUESTION OF THE ECUADOREAN AIR FORCE ARREARAGE ON THE $12.7 MILLION DEBT FOR A-37S. FOR THE DEPARTMENT'S AND TREASURY'S INFORMATION, THE SITUATION IS AS FOLLOWS:

A. FONMIN SUBSECRETARY AYALA INFORMED THE AMBASSADOR AND COUNTRY DIRECTOR KING ON FEBRUARY 13 THAT THE ECUADOREAN EMBASSY IN WASHINGTON HAD BEEN INSTRUCTED TO SEND A NOTE TO THE DEPARTMENT ASSURING IT THAT THE ARREARAGES WOULD BE CLEARED UP WITHIN 45 DAYS. HE OFFERED A SIMILAR ASSURANCE TO THE AMBASSADOR, INCLUDING HIS PERSONAL REGRET THAT THE MATTER HAD NOT BEEN DEALT WDTH PRIOR TO NOW.

B. THE EMBASSY HAS PREVIOUSLY ADVISED THE DEPARTMENT OF THE METHOD OF PAYMENT, NAMELY THAT CITIBANK, THROUGH ITS LONDON AFFILIATE, HAS NEGOTIATED A LOAN WITH THE GOE FOR THE ENTIRE AMOUNT. QUITO CITIBANK MANAGER ASSURED
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PAGE 02 QUITO 01314 172025Z

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

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THE AMBASSADOR AS RECENTLY AS FEBRUARY 12 THAT NEGOTIATIONS
FOR THE LOAN HAD BEEN COMPLETED AND THAT THE PAPERS WERE
IN THE HANDS OF THE GOE FOR SIGNATURE. WE HAVE LEARNED
FROM GOE SOURCES THAT THE STATUS OF THE MATTER WITHIN
THE GOE IS THAT FINAL APPROVAL OF THE LOAN ON PART OF
THE NATIONAL DEFENSE BOARD (JUNTA DE DEFENSA NACIONAL)
WAS EXPECTED FEBRUARY 17, FOLLOWING WHICH THE LOAN AGREE-
MENT WAS TO BE SIGNED AND RETURNED TO CITIBANK.

2. IF THE DEPARTMENT, TREASURY OR NAC DESIRE ANY FURTHER
INFORMATION PLEASE ADVISE. IN THE ABSENCE OF ANY IN-
FORMATION OR INQUIRY FROM WASHINGTON, E SHALL ASSUME THAT
THE ASSURANCES AND EXPLANATION GIVEN ARE SATISFACTORY.
BREWSTER

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NNN

*** Current Handling Restrictions *** n/a
*** Current Classification *** CONFIDENTIAL

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Message Attributes

Automatic Decaptioning: X
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Copy: SINGLE
Draft Date: 17 FEB 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: coburnhl
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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04 MAY 2006

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Subject: ECUADOREAN AIR FORCE $12.7 MILLION DEBT FOR A-37S
TAGS: MILI, PFOR, EC, MILI, PFOR
To: STATE
Type: TE
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